

In this issue: Why do health care costs keep going up? What can I do to keep my costs down?

Fighting Obesity in the Workplace

Our friends at JellyVision.com have a great article on health care costs associated with obesity. Here is some of what they have to say.

Obesity is a tremendous problem in the American workplace, and while many employers are doing their best to address the issue, new research from the National Business Coalition on Health (NBCH) shows that there's a lot more than needs to be done.

Sadly, obesity isn't just going to go away. Although individuals and employers are trying to combat obesity, the problem continues. In fact, according to research recently published in the *American Journal of Preventive Medicine*, 42% of Americans will be obese in 2030. Not chubby. Not plump. Obese.

And obesity is expensive! In case you missed it, a recent Urban Institute study breaks down the yearly costs of treating the diseases associated with obesity, and the numbers aren't pretty.

A person with the conditions listed below spend this much extra **\$\$\$** each year on health care:

Diabetes — **\$2,863**

Hypertension — **\$1,595**

Both Diabetes and Hypertension — **\$3,920**

Diabetes with Heart, Cerebrovascular, or Renal Disease — **\$21,181**

Hypertension with Heart, Cerebrovascular, or Renal Disease — **\$14,576**

Diabetes, Hypertension, and Heart, Cerebrovascular, or Renal Disease — **\$24,215**

Heart, Cerebrovascular, or Renal Disease without Diabetes or Hypertension — **\$10,743**

Fortunately, these avoidable, chronic diseases can be prevented through proper diet and exercise. Also, let's not forget that ... for every dollar invested in a wellness program, more than \$3 in medical care costs can be avoided.

You can't argue with that kind of math.

—The Jellyvision Lab, Inc.

<http://www.meetalex.com/our-blog/>

So what can we do? Go to a health screening. Be tobacco free. Sign up for wellness programs. Have a healthy salad instead of a burger. Exercise daily—even a short walk has health benefits. Encourage each other to be healthier.



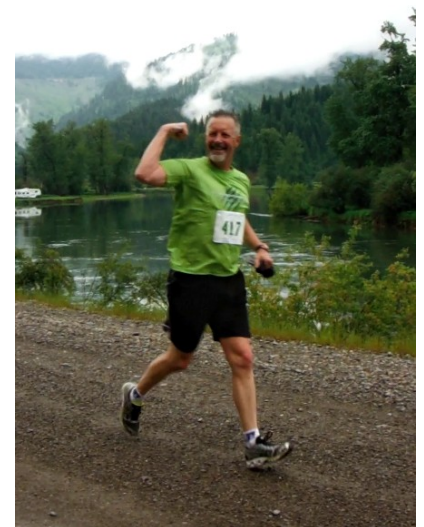
The 2012 Hunter Fitness Challenge Archery Season Begins 7/30!

Fun, Prizes, Motivation, Backcountry Sporting! The Hunter's Challenge is for anyone who wants a jump start on hunting, backpacking or other fall sports. It's simple, free, and there are prizes to be won...

You may sign up for one or both challenges! Archery season challenge begins 7/30 and the Rifle season challenge begins 9/17.

To participate **e-mail benefitsquestions@mt.gov your name, e-mail, mailing address and telephone number by Friday, July 27.** The 2012 Hunter's Challenge Archery Season begins on 7/30. Turn in your activity (minutes or steps) at the end to be entered for prizes.

For more information: www.benefits.mt.gov/hunterfitness, benefitsquestions@mt.gov, (800)287-8266, or TTY (406) 444-1421



HCBD Administrator Russ Hill running his first marathon 6/2012!

I discovered I scream the same way whether I'm about to be devoured by a great white shark or if a piece of seaweed touches my foot.
- Anonymous

Health Care Cost Drivers

Cost drivers include:

Hospital care—One third of the annual health care costs are for hospitalizations. About 60% of all hospital admissions are for people covered by Medicare or Medicaid, neither of which fully reimburses the cost of hospital care. That cost gets shifted to other patients. Compliance with regulatory requirements also increase the cost of hospital care.

Medical technology—Claims for high tech procedures are more expensive. Advanced technologies like robotic surgery are on the rise. They improve outcomes but cost more money.

Lab tests—The use of lab tests is expected to rise because of our aging population and the push for personalized medicine based on our genetic makeup.

Drugs—Billions of dollars are spent on the research and development of drugs. While generic drugs can be less expensive, the cost of branded drugs and new drugs continues to rise.

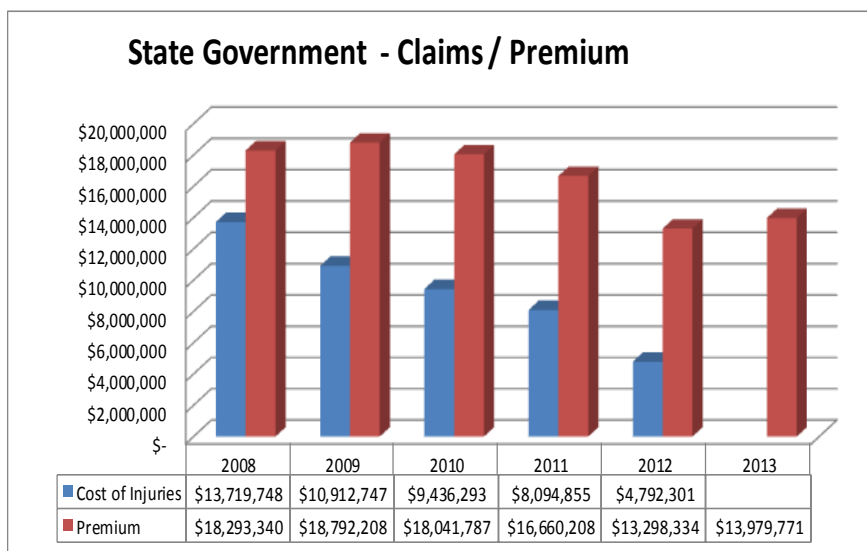
See the full article at: http://money.cnn.com/2012/07/12/news/economy/health-care-costs/index.htm?source=cnn_bin

Workers' compensation coverage runs on a fiscal year from 7/1 – 6/30.

The Workers' Compensation Management Bureau (WCMB) worked hard during May and June to negotiate premiums for all state agencies for 2013. Using the new pricing model Montana State Fund (MSF) introduced, several state agencies will have higher premiums, overall a 4.9% increase. In 2012 agencies paid MSF \$13.3 million dollars. Next year premiums will be about \$13.9 million dollars.



Agencies are decreasing injuries through safety programs and reducing the impact of injuries to employees through return to work programs. If you attended one of the spring presentations, you saw the financial impact to employees injured on the job. Lowering the number of injuries and getting injured workers back to work is the right thing to do! Check out the decreasing costs of work comp from 2008 through 2012 in the graph below.



It's true! Being tobacco-free makes you a better kisser!

HCBD Spring Tour—A *GREAT BIG THANK YOU* to everyone who attended our benefits presentations in May, June, & July! We visited almost 5,000 employees and retirees! Annual Change starts 9/19/12 and ends 10/26/12. *If you attended, please fill out the survey being forwarded to you by your HR or payroll folks.*

Our presenters (who had a great time meeting with you!) drove almost 8,000 miles over the five weeks in spring. For Annual Change we'll be asking members to attend presentations in larger venues like local convention centers or auditoriums.

Watch for newsletters, emails, messages in bottles about the Annual Change presentations. Books go out mid-September. If you don't get one, ask HR for your copy. Presentations run 9/24—10/25.